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SUMMARY RECORD OF THE 4th MEETING

Chairman: Mr. HAMBURGER (Netherlands)

CONTENTS

GENERAL DEBATE (continued)

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The meeting was called to order at 3.05 p.m.

GENERAL DEBATE (continued)

1. Mr. BOHAIEVS'KY (Ukraine) referred to the crisis which many countries continued to face owing to the serious problems of underdevelopment, poverty and environmental pollution, despite the general recognition that the attainment of sustainable socio-economic development was an essential condition for maintaining international peace, stability and security. A stronger and more effective United Nations was therefore needed in order to overcome those negative trends and to meet new responsibilities at the threshold of a new millennium.

2. Although the Member States and the Secretary-General had made efforts to restructure and revitalize the United Nations system, the time had come to take more decisive and action-oriented steps. Member States should focus their attention on the establishment of a legal basis for increasing the level of global coordination of activities in the field of international economic security in order to prevent economic coercion and discrimination. The establishment of a Council on Economic Security, proposed by the President of Ukraine, Mr. Leonid Kuchma, at the Special Commemorative Meeting on the occasion of the fiftieth anniversary of the United Nations, would also help to achieve that goal. The proposal was not designed to introduce radical changes in the structure and Charter of the United Nations or to create a new body within the system, but rather to grant greater authority to the existing bodies, in particular the Economic and Social Council, on the basis of Article 65 of the Charter.

3. Consideration must also be given to the possibility of the General Assembly becoming a forum for finding solutions to major global problems rather than organizing United Nations global conferences on social, economic and related issues. There should be a linkage between the items submitted to the General Assembly during its special sessions and to the Economic and Social Council during its substantive sessions.

4. His delegation believed that General Assembly resolution 50/227 constituted an important step towards the revitalization of the United Nations in the economic and social fields. It also trusted that the activities of the Ad Hoc Open-ended Working Group of the General Assembly on an Agenda for Development, in particular those relating to its third chapter, which called for the definition of the future role of the United Nations system in the field of development, would be successfully completed.

5. Taking into account the Organization's current financial situation, a systematic dialogue between the United Nations, the Bretton Woods institutions and other financial agencies should be encouraged in order to obtain additional sources of financing for development. The United Nations should also have greater authority to establish mechanisms for coordination between the international financial institutions and the World Trade Organization (WTO). His delegation believed that those institutions should allocate additional resources to speeding up socio-economic change in countries with economies in

transition and in the developing countries, whose integration in the world economic system would benefit the entire international community and would form the basis for a new global partnership for economic development.

6. In that context, he noted with satisfaction Member States' growing understanding of the problems faced by countries with economies in transition, which had translated into an increase in the resources allocated by the United Nations Development Programme (UNDP) to its operational activities in the Eastern European countries, including Ukraine. He also expressed appreciation for the work of the Economic Commission for Europe in creating a favourable climate for the integration of those countries in the global and European economies.

7. Ukraine had just completed a very important stage of consolidation. On 28 July 1996, it had adopted a new Constitution which reaffirmed the will and determination of the Ukrainian people to build an independent and democratic State governed by the rule of law, where the highest social value was attached to the promotion of human rights. The year before, significant progress had been made in implementing its economic reform programme. For the first time, more than half the gross domestic product had been generated by the private sector, and more favourable conditions for national and foreign investors had been created through the ongoing privatization process, the completion of the first phase of financial stabilization, the gradual liberalization of domestic and foreign trade and the introduction of a new national currency.

8. Those reforms had been painful for the population and had required greater international assistance owing to the fact that Ukraine still suffered from the grave consequences of the Chernobyl disaster. In that connection, his delegation appreciated the encouraging remarks of the Secretary-General in his report on the work of the Organization (A/51/1, para. 573) on the consequences which the Chernobyl disaster had had on the population of the three affected countries and the need for greater support from the international community in order for the Organization to continue its efforts (ibid., para. 575); it hoped that Member States would respond appropriately to that message.

9. Ukraine welcomed the recent termination of the sanctions regime imposed against the Federal Republic of Yugoslavia (Serbia and Montenegro), and had also declared its willingness to join in the restoration and reconstruction process in Bosnia and Herzegovina and other countries of the former Yugoslavia. At the same time, it continued to attach great importance to the implementation of United Nations General Assembly resolutions on economic assistance to States whose economies had been seriously affected by the sanctions regime. Ukraine hoped that such attention would not be limited to one group of countries only and that the Organization would provide adequate assistance to compensate for the heavy losses suffered by Ukraine, in particular, during the years in which it had implemented Security Council decisions strictly.

10. Mr. LAVROV (Russian Federation) said that economic issues played an increasingly vital role in international relations owing to, inter alia, the intensification of world economic development, the globalization of trade, investment and financial flows, the interdependence of the economies of separate countries and regions and the development of modern technologies. The world

must be prepared to take advantage of the vast opportunities offered by globalization and must also be aware of the risks and consequences of the process for certain countries and regions.

11. While in 1995 nearly one third of direct foreign investment had gone to developing countries, a level seven times higher than the average annual level of the 1980s and three times higher than the 1991 level, only 12 countries had contributed 80 per cent of those investments. Official development assistance provided to the poorest countries was also beginning to shrink in real terms.

12. The countries with economies in transition had achieved a certain measure of stabilization in 1996; however, their development continued to be uneven. The volume of foreign direct investment in that group of countries - around $13 billion in 1995 - was limited and there were still barriers to placing their exports on the world market. That confirmed the importance of continued support by the international community for reform, macroeconomic stabilization and structural adjustment in those countries; the United Nations had a role to play in that regard. On the whole, his delegation commended the activities of the Organization for countries with economies in transition and trusted that the conference on sustainable development of economies in transition, to be held in Minsk (Belarus) in 1997, would give further impetus to such work.

13. The Russian Federation was going through a critical stage of its development. Substantial progress had been made in the establishment of a market infrastructure, privatization, the creation of a viable private sector, liberalization of foreign economic activities and financial stabilization. His Government attached considerable importance to boosting investment, particularly in the manufacturing sector. Foreign investment in the Russian Federation currently stood at $9 billion; it was hoped that the inflow of foreign investment would reach from $3 to $3.5 billion during the current year.

14. No less important was the task of facilitating the access of Russian exports to world markets by lifting the tariff and non-tariff barriers set out in the legislation of certain Western partners. To that end, the Russian Federation wished to join WTO as soon as possible and expected the first WTO ministerial meeting, to be held in Singapore in December 1996, to produce tangible results.

15. Regarding the debt problem, his Government had signed an agreement with the Paris Club on a comprehensive mid-term restructuring of its debt, and another accord with the creditors of the London Club on rescheduling its commercial debt. His Government was prepared to negotiate with its debtors on a bilateral level and within the framework of the Paris Club. Moreover, his Government had stated at the meeting of the IMF-World Bank Development Committee in September that it intended to participate in those organizations' initiatives to effectively resolve the problem of indebtedness of the poorest developing countries. His Government's recent agreement with Nicaragua on the settlement of its debt to the Russian Federation provided an example of such participation.

16. His Government was seeking not only to achieve its goals but also to facilitate the settlement of international macroeconomic problems. His delegation therefore welcomed the measures agreed at the Lyon Summit and by the

IMF-World Bank to ease the foreign debt burden of the most indebted countries, especially the decision to sell part of the Fund's gold reserves.

17. His delegation had taken note of the concrete albeit modest results of the efforts to restructure the United Nations, especially General Assembly resolution 50/227, and trusted that the main provisions of that resolution would be fully and promptly implemented. In addition, his delegation took note of the progress achieved in drafting an agenda for development and hoped that extending the mandate of the group entrusted with that task would prevent further delays. In that respect, his delegation favoured adoption of the agenda as an integrated document that would include a chapter on institutional issues.

18. His delegation attached great importance to the 1997 Special Session of the General Assembly to review the progress on implementation of follow-up to the United Nations Conference on Environment and Development; the Special Session should formulate recommendations that would include institutional support measures. It should also stress that the principle of a common but differentiated responsibility for promoting sustainable development should be based on a realistic evaluation of the financial and economic situation of each State. His delegation took note of the revitalization of the United Nations Conference on Trade and Development (UNCTAD) that had been initiated by the Midrand Declaration adopted at the ninth session; his delegation also welcomed the positive results of the Habitat II Conference and expected similar concrete results from the forthcoming World Food Summit.

19. Mr. LOZANO (Mexico) said that the real success of the new measures to restructure and revitalize the United Nations in the economic and social fields depended on the political will of States to give international cooperation for development the important place it deserved among the issues addressed by the Organization.

20. International cooperation for development should be geared towards establishing a more favourable and dynamic international climate to support developing countries' efforts to eradicate poverty and achieve economic and social progress.

21. The increasing globalization of the international economy and the liberalizing and modernizing efforts of many countries necessitated effective consultation and cooperation mechanisms that would promote the full exploitation of trade and investment opportunities. The repercussions of what had been called the Mexican crisis provided food for thought regarding the vulnerability of the international financial system and the need to ensure that it responded more promptly and effectively to the new conditions of the world economy. Accordingly, his Government believed that it was of prime importance to re-examine the structure of contributions to and decision-making in IMF and other international financial institutions in order to ensure a true reflection of the current importance of the various economies in the international community. Since the task of organizing the international financial system as efficiently as possible was the duty of the international community as a whole, it was appropriate that the debate on that issue should also be taken up as a matter of priority in the debates of the United Nations.

22. His Government attached particular importance to the work of UNCTAD and noted with satisfaction the important agreements reached during its ninth session. His Government awaited with interest the conclusion of the process of restructuring UNCTAD.

23. The Uruguay Round of negotiations had augured well for the integration of developing countries into the international trading system. However, in various key sectors the results of the Uruguay Round had not lived up to those expectations. In that regard, the next WTO ministerial meeting would provide an opportunity to examine the status of implementation of the agreements reached during the Uruguay Round, the direction of the multilateral trading system and its contribution to the goal of establishing an open, equitable, secure and rule-based trading system. His delegation believed that the ministerial meeting should concentrate on identifying activities, adjustments and additional measures which would give full effect to the commitments entered into during the Uruguay Round, in particular implementation of the agreements on tariff abatements and opening up of markets. Those agreements should be applied in exactly the form in which they were agreed. Subsequently, WTO should concentrate on trade-related issues where consensus already existed; it should try to avoid dissipating its efforts in other fields.

24. International trade was a key instrument for accelerating global economic growth and development. In that connection, his delegation was deeply concerned that, using the pretext of freedom, democracy or the environment, laws were being promulgated and unilateral restrictions were being imposed which undermined free trade and violated international law and the trading practices negotiated at the multilateral level. His Government reiterated its opposition to the promulgation and application of laws and provisions affecting the sovereignty of third States, specifically the Cuban Liberty and Democratic Solidarity (Libertad) Act, known as the Helms-Burton Act, which had recently been adopted by the Congress of the United States of America. That act violated international law, and accordingly his delegation wished to draw the attention of the Committee to the opinion delivered by the Inter-American Juridical Committee of the Organization of American States, contained in document A/51/394.

25. Regarding the Special Session of the General Assembly to be held in June 1997 to evaluate implementation of Agenda 21, his delegation believed that an exchange of opinions should begin during the current session with a view to outlining the principal themes of the Special Session. The Special Session should provide an opportunity to assess the progress that had been made in implementing the commitments entered into at the United Nations Conference on Environment and Development, identify areas where insufficient progress had been made and the reasons for the failure to meet deadlines, and formulate the necessary corrective measures. The role of the Commission on Sustainable Development should likewise be examined, as should its relations with other organizations in the United Nations system which also carried out activities in the field of the environment and development.

26. Against the backdrop of increasing globalization, economic success was closely linked to industrial and technological competitiveness. The work of the United Nations Industrial Development Organization (UNIDO) therefore assumed a

special importance. In order to respond to industrial realities and changing support needs, UNIDO had already carried out internal reforms and substantially reformulated its priorities and approach. UNIDO had been a pioneer of reform within the United Nations system, and its important achievements had been acknowledged by Member States to be an example to other bodies.

27. Mr. OWADA (Japan) said that with the end of the cold war and the evolution of an environment characterized by ever-increasing globalization and economic interdependence, the international community had made some progress in its efforts to promote development, particularly in Asia and Latin America. However, the role of the United Nations in that area continued to diminish. His delegation appealed to all Member States to commit themselves to formulating a creative strategy within the United Nations in order to continue promoting international cooperation in the field of development. In turn, the effective implementation of such a strategy necessitated reform of the Organization in order to bring its work more into line with the provisions of the Charter.

28. Global health and stability depended on the international community's assistance for the development of the developing and least developed countries, particularly in Africa, so that they could be integrated into the increasingly dynamic world economy. The United Nations should commit itself fully to accelerating that development process on two fronts. On the one hand, it should move quickly to adopt a new and innovative approach and then implement it. On the other hand, it should carry out a series of reforms in the economic and social fields. His delegation reiterated that work on those two fronts should be carried out simultaneously.

29. His Government advocated a new and highly effective development strategy whereby the international community would establish a common set of targets, and developing countries, by assuming responsibility for their own development, would establish plans for achieving them. The subsequent efforts of both parties to implement those plans would be complemented by well-coordinated assistance from developed countries, international organizations, the private sector and non-governmental organizations. The innovative element of the strategy lay in the integrated nature of its components, which formed an organic whole.

30. At the same time, the United Nations should reform itself at different levels, for example the General Assembly, particularly its Second Committee; the Economic and Social Council and its subsidiary bodies; and other development bodies and agencies active in promoting development. The reform should be comprehensive, and it should therefore proceed in parallel with reforms in other areas such as finances, administration, and security.

31. In order for the new approach to be successful, the principal partners in the development process, including bilateral and multilateral donors, had to work together. Since the United Nations represented the international community and therefore occupied a privileged position, it could act as a catalyst through the intermediary of its organs and, where necessary, through reform. In particular, more vigorous efforts should be made to promote collaboration with the Bretton Woods institutions and the Development Assistance Committee of the Organization for Economic Cooperation and Development. Such efforts should

extend beyond the existing policy dialogue held at the annual high-level segment of the Economic and Social Council.

32. With effect from the fifty-first session of the General Assembly, his Government intended to make a particular contribution to South-South cooperation and the development of Africa. His delegation considered South-South cooperation to be the most important example of a development cooperation strategy based upon partnership and called on all interested countries to cooperate in promoting that form of cooperation, which did not differentiate between donors and recipients. It was a form of genuine cooperation between all partners in the process. It could typically be observed in technical cooperation projects in which more advanced countries dispatched experts to less advanced countries in order to provide advisory services. One of the most successful examples was the rural development and resettlement project in Cambodia, in which Japan and members of the Association of South-East Asian Nations (ASEAN) were participating together with the United Nations Development Programme (UNDP). The project had set a significant precedent in the area of triangular cooperation, in that it incorporated the participation not only of developed countries but also of the United Nations.

33. During the previous two sessions of the General Assembly, his delegation had sponsored draft resolutions on South-South cooperation which had yielded tangible results, namely, the Intergovernmental Meeting of Experts on South-South Cooperation, held from 31 July to 4 August 1995 with participants from 26 countries and nine international and regional organizations, and the Voluntary Fund for the Promotion of South-South Cooperation established within UNDP. His Government intended to promote further concrete South-South cooperation activities and had earmarked $2 million of its contribution to the Japan Human Resource Development Fund established within UNDP. While that Fund was available for various purposes in the field of human resources development, including South-South cooperation, it was expected that it would be specifically incorporated into or utilized in conjunction with the newly established Voluntary Fund. In addition, his Government wished to continue to utilize its Japan Women-in-Development Fund for the general purpose of promotion of South-South cooperation.

34. Within the United Nations, the Special Unit for Technical Cooperation among Developing Countries, which operated within UNDP, should serve as the focal point for promoting South-South cooperation. Its function should be strengthened so that it would be better able to carry out the tasks entrusted to it. His Government would accordingly make the necessary contributions.

35. Since the formulation of concrete projects or programmes was clearly the key to promoting South-South cooperation, his Government intended to hold a series of informal meetings to discuss effective measures to enhance such work at United Nations Headquarters by garnering the opinions of interested Member States and agencies.

36. Regarding the issue of development of Africa, he reminded the Committee that in 1993 Japan had played host to the economic summit of the seven major industrialized countries in Tokyo and had proposed a new development strategy in the context of the newly emerging realities of the post-cold-war era. That

initiative had formed the basis of the Tokyo International Conference on African Development which Japan had subsequently organized. In the international environment of the post-cold-war world, the development of Africa was one of the most pressing issues facing the international community.

37. It terms of per capita income, the gap between developed countries and the poorest countries in the world had continued to widen. It had to be borne in mind that the economic take-off of a number of African countries through economic development would benefit not only the peoples of Africa but also the rest of the world by realizing a full-fledged integration of African economies into the international economic system. That conception of a new development strategy had at last come to be accepted by the OECD Ministerial Meeting of May 1996 and had subsequently been incorporated in the economic declaration made by the seven major industrialized countries at their summit in Lyon.

38. As Chairman of the meeting to conduct the mid-term review of the United Nations New Agenda for the Development of Africa in the 1990s, his delegation had done its utmost to ensure that the assessment in the review was made on the basis of the concept of the joint responsibility of the international community, including the nations of Africa and the rest of the world, for the development of African countries. At the same time, it had endeavoured to ensure that progress in the future should be promoted on as practical and as specific a basis as possible. Those efforts had yielded two positive results: first, while there remained serious points of disagreement among Member States, it had been possible to arrive at a consensus owing to the spirit of partnership which had guided the negotiations; second, the structure and contents of the final document had reflected the common determination of the participants to rid themselves of the psychological inertia of the cold-war era by eliminating all divisions and confrontations between the interests of the donor community and the recipient community in Africa. That achievement was a further example of effective partnership at the United Nations.

39. Finally, his delegation wished to stress the critical importance of implementation of the New Agenda and the adoption of additional concrete measures. Every effort should therefore be made to achieve that end while considering how those activities could contribute to the positive results of the Second Tokyo International Conference on African Development, to be held in 1998.

40. Mr. BARRETO (Peru) said that developing countries were being increasingly marginalized as a result of the accentuation of extreme poverty and other socio-economic ills, such as lack of employment, population growth, degradation of the environment and social inequalities. Confronted with that situation, the United Nations must develop an effective response capability, backed by the international community, in particular the industrialized countries, in support of the extraordinary efforts being made by many regions of the world to emerge from severe economic crises. The level of political commitment to the United Nations must be reflected in contributions to economic and social development aimed at supplementing the domestic efforts being made by various countries.

41. His delegation was of the opinion that, notwithstanding the progress made in the implementation of General Assembly resolution 50/227, much remained to be

done in terms of a more in-depth review of the functions and mandates of many of the Organization's development organs, with a view to adapting them to current economic and political development. That process must go hand-in-hand with a deepening of the links between the United Nations, the Bretton Woods institutions and the World Trade Organization. The reappraisal of the Committee's agenda fell within that context, and must take into account the revitalization of the intergovernmental dialogue on economic questions.

42. Notwithstanding the consensus on the eradication of poverty, one of the central objectives of the United Nations, resources to meet unsatisfied needs and demands were in short supply. There was a need for specific commitments to fund development activities since it was not enough to tackle problems of coordination and overlapping of functions of certain bodies, funds and programmes at Headquarters and in the field; external support for internal capacity-building activities must be redoubled.

43. It was true that the unsustainable levels of debt of the poorest countries constituted an obstacle to their development, as pointed out by the United States delegation, but consideration must also be given to the severely indebted middle-income countries, since more pronounced market imbalances could destabilize major international financial markets and seriously affect the world economy.

44. He urged Member States to grant the Commission on Sustainable Development the status of a high-level political forum entrusted with reviewing development policies and programmes in accordance with Agenda 21, on the basis of a comprehensive and multidisciplinary conception of sustainable development.

45. While the slow progress in implementation of an agenda for development gave cause for concern, the fundamental problem lay in the low level of commitment, which was reflected in language that was not geared towards the adoption of measures. The agenda for development should be pragmatic and well thought out, and should help countries in their development. In that regard, his delegation supported the proposals to take stock of the work of the Working Group on an Agenda for Development so as to see what had been accomplished and where its work was leading.

46. Mr. DANESH-YAZDI (Islamic Republic of Iran) said that, while the world economy was expected to grow at around 2.5 per cent for the third year in a row, that rate was lower than the average in the 1980s. In many developing countries the growth in per capita gross domestic product had been small, with average levels remaining, in real terms, the same as in 1980. Developing countries also accounted for a small proportion of global and long-term credits and loans, owing to their limited capacity for debt servicing, a situation that was aggravated by the increasing conditionality attached to the granting of loans. To reverse that trend, promotion of direct investment and official financial flows was imperative.

47. In 1995 net direct investment flows towards capital-importing developing countries had been estimated at $64 billion, but the fact that those flows had been highly concentrated in a small number of countries should not be overlooked. In addition, the sharp decline in official development assistance

continued. There was every indication that that trend would persist in coming years. It doubtless arose from a failure on the part of donor countries to understand that those resources, in the long run, would contribute to the maintenance of international peace and security. In that regard the equitable distribution of official development assistance merited due attention and consideration. Given the state of the world economy, prospects remained uncertain, even though the international community had recognized the urgent need for a positive investment climate and an open, rule-based, equitable, secure, non-discriminatory, transparent and predictable trading system.

48. It was of particular importance for States to comply fully with the norms and principles of international law in general and the Charter of the United Nations in particular. Such considerations had prompted the General Assembly to declare the period 1990-1999 as the United Nations Decade of International Law. Despite that universal commitment, certain States had resorted to unilateral measures, including the promulgation and application of domestic laws and regulations whose extraterritorial impact severely infringed on the sovereignty of other States and undermined the very foundations of relations among States. Such practices created an environment which adversely affected the economic and social development of the countries targeted. The adverse effects included an increase in poverty, a reduction in the financial resources that were vital for development, the placing in jeopardy of fiscal and monetary policy and economic reform, and an erosion of the capacity of the country targeted to participate fully in world trade and capital markets. The international community could not accept or tolerate such unilateral policies and practices which, if not combated at an early stage, would have irreversible consequences, since they undermined credibility and trust in international endeavours.

49. With regard to the Committee's agenda, while international development cooperation constituted the pillar of common efforts to promote economic growth and sustainable development, there were signs of unwillingness on the part of some States to implement agreed commitments and the programmes of action of the major United Nations conferences. That was of particular importance in the preparatory process for the World Food Summit, which would deal with the fundamental right of every human being to be free from hunger and malnutrition, international cooperation for the elimination of unilateral economic and trade measures, eradication of poverty, and international mobilization and channelling of technical, technological and financial resources so as to improve access to food for all.

50. In the view of his delegation, the special session to be held in 1997 by the General Assembly on Agenda 21 would provide a unique opportunity to identify and remove barriers to its implementation. At the special session there should be an overall assessment of progress achieved in the implementation of the decisions of the United Nations Conference on Environment and Development; the strengthening of cooperation at all levels; the provision of new and additional resources, including through attainment of the target of 0.7 per cent of gross national product to be allocated by the developed countries for official development assistance; the degree of responsiveness of existing financial mechanisms, particularly the Global Environmental Facility; the transfer of environmentally sound technologies; access to information and know-how; unsustainable consumption and production patterns, particularly in developed

countries; the eradication of poverty; the degradation of the environment, and the problem of refugees and internal migration; and the strengthening of the institutional basis for the implementation of decisions taken at the Rio conference.

51. With regard to follow-up to the Conference on Human Settlements, matters relating to international cooperation, the right to adequate housing and the role of the United Nations Centre for Human Settlements might provide the bases for further discussions and decisions. In that regard strengthening the functions of the Centre, which should focus on well-defined objectives and strategic issues, could help to implement the Habitat II agenda.

52. With regard to the Framework Convention on Climate Change, the developed countries were apparently unable to fulfil their commitments regarding emissions of greenhouse gases within the agreed time limit, and the situation in developing countries, considering their limited technical and technological capabilities, was likely to be the same. Under such circumstances, the introduction of additional instruments further increasing the commitments assumed by developing countries did not correspond with realities on the ground, and was not even consistent with the provisions of the Convention itself.

53. The tenth session of the International Negotiating Committee for the Elaboration of an International Convention to Combat Desertification, to be held in January 1997, would be the last preparatory session of the Committee before the first session of the Conference of the Parties was convened. Accordingly he urged the international community to give priority attention to the negotiations on the mandate and functions of the Global Mechanism for mobilizing and channelling resources to the developing countries affected. Otherwise there would be little likelihood that the Convention would be implemented.

54. His delegation believed that, in the reform process, the issue of development should be at the forefront of United Nations priorities and action. In that connection concepts such as division of labour or comparative advantage were not proper arguments for weakening the specialized agencies or the bodies, funds and programmes with development mandates.

55. Lastly, it should be noted that macroeconomic and related issues - including external debt, access to markets, financial and investment flows, and full and effective participation by developing countries in the decision-making processes of the United Nations system and the Bretton Woods institutions - should continue to be discussed in order to achieve action-oriented solutions based on equity and cooperation.

56. Mr. WILMOT (Ghana), after endorsing the statement by the representative of Costa Rica on behalf of the Group of 77, said that the apparently encouraging statistics on the world economy published by different sources concealed disturbing economic and social realities. Real income in most developing countries was less than in the 1980s, as illustrated by the fact that, in Africa, average per capita income had been $657 in 1995, compared with $721 in 1980. Indicators published in the 1996 Human Development Report revealed that the number of people living in absolute poverty and lacking basic social services continued to grow. That stemmed in part from a steady deterioration in

international development cooperation following the end of the cold war. The decline in official development assistance, which was now only 0.27 per cent of the combined gross national product of the member countries of the OECD Development Assistance Committee, had taken a heavy toll, particularly in Africa. A new rationale for development cooperation was needed in the post-cold war era, based on partnership and mutuality of interests and benefits, since there could be no lasting peace without development, or sustainable development without peace.

57. For most developing countries, particularly in Africa, the fact that foreign direct investment flows had been rising steadily was no compensation for a reduction in official development assistance, as 75 per cent of those investment flows went to just 12 developing countries, and the poorest countries did not receive private investment flows. The African countries together received only about 2 per cent of such flows, despite their efforts to attract private investment through structural adjustment programmes and liberalization of their economies. The explanation for that situation lay in the accumulation of such factors as poor physical infrastructure, a generally unskilled labour force, high levels of indebtedness, high inflation and small domestic markets, problems which the African countries must face up to by seeking to establish sound macroeconomic equilibrium and suitable infrastructure, and by investing in social programmes to promote the integration of their people in the global system.

58. African Governments were attempting to meet those needs, but they needed financial, technical and other support from the international community. In that connection he appealed for renewed international economic cooperation and fulfilment of the commitments made at recent global conferences aimed at advancing the social and economic objectives of the Organization.

59. With regard to trade, import quotas and protectionist measures hindering access for developing countries' exports to the countries of the North must be eliminated. In that connection, he welcomed the establishment of the World Trade Organization (WTO) and urged the international community to fully implement the WTO agreement. Trade liberalization should not lead to further marginalization of the poor countries or widen the gap between developed and developing countries. There should be increased focus on ensuring an even distribution of the gains from the Uruguay Round.

60. South-South cooperation, a necessary strategy for advancing the development of developing countries and an integral element of international cooperation for development, should be encouraged through triangular funding arrangements between the United Nations, the international community and the countries concerned. In similar vein, greater international support was needed for regional economic cooperation among and integration of developing countries, particularly in Africa where markets were very small. Greater regional integration in Africa should result in an increased market for particular goods, especially where it was accompanied by specialization on the part of individual countries. Since the strengthening of regional markets could awaken the interest of investors, Ghana urged its developed partners to take measures to support regional integration among developing countries in general.

61. His delegation reiterated the urgent need to ensure the full and timely implementation of the United Nations New Agenda for the Development of Africa in the 1990s. The international community should provide the requisite financial and other resources to support the economic restructuring measures which African countries had taken to stimulate their development. In that connection, it was worth recalling that the United Nations System-wide Special Initiative on Africa launched a few months previously had established mechanisms for accelerated implementation of the New Agenda.

62. His delegation also wished to highlight the great importance of human resources development in all development programmes and in strategies aimed at achieving economic growth. Some countries were still suffering from the negative impact of structural adjustment programmes, particularly with regard to health and educational infrastructure and services, which necessitated strengthening of international cooperation based on the adoption and implementation of concrete measures aimed at mitigating and completely eliminating their adverse impact. The Bretton Woods institutions should also consider increasing grants for community and human resources development in future programmes.

63. The debt problem continued to be a major obstacle to Africa's economic recovery and development. His Government reiterated its call for a development-orientated approach that went beyond the Naples terms and included, inter alia, debt cancellation and debt-for-development swaps. His delegation welcomed the proposal made at Lyon by the seven major industrialized countries for a partnership for development, as well as the recognition by that forum of the need to go beyond the Naples terms for debt relief measures.

64. In addition, his Government welcomed the agreement reached recently in Washington by the world's major industrial powers to endorse the Bretton Woods institutions' plan to reduce the collective debts of some of the poorest and most heavily indebted countries by nearly $6 billion. Uganda, for example, could benefit from debt forgiveness to the tune of about $80 million a year for the next three years. According to Oxfam, such a reduction would enable Uganda to provide health services to 2 million people, teaching materials for 2 million primary school children and immunization for 1 million children. That example amply illustrated what debt forgiveness could do to alleviate poverty in developing countries and the need to adopt more radical measures to write off the debts of the developing countries, particularly those in Africa, whose indebtedness currently stood at over $300 billion, to which $20 billion was added annually in capital and interest.

65. Mr. ABDELLAH (Tunisia), associating himself with the statement made by the representative of Costa Rica on behalf of the Group of 77 and China, said that his delegation had noted with satisfaction the common willingness of Member States to introduce the necessary reforms to revitalize the United Nations in the economic and social fields, and reiterated that the adoption of General Assembly resolution 50/227 was an important milestone in the reform process. His delegation trusted that the Ad Hoc Open-ended Working Group on an Agenda for Development would be able to complete the task entrusted to it within the next few months, but stressed that the reforms which had been undertaken would not live up to expectations unless respect for and implementation of the commitments

entered into was guaranteed so that all States, and particularly developing countries, could benefit from those reforms.

66. Eradicating poverty had been the prime objective of all major United Nations conferences that had been held since 1990; the latter had provided the system with a solid base for structuring the activities that were being implemented in that field. They had also brought out the scope, complexity and multisectoral nature of the problem, which necessitated mobilizing all actors in society.

67. However, despite the unanimity displayed by the international community on that issue, contributions to multilateral development institutions had steadily declined over recent years. The significant decline in resources, in conjunction with the increasing needs of the countries concerned, was frustrating efforts being made to achieve the objectives of the fight against poverty, thus undermining commitments entered into by the international community. Experience had shown that social progress could not be achieved by relying solely on the play of market forces.

68. His Government wished to reiterate its continued commitment to fleshing out and strengthening cooperation with all African countries, which had unambiguously stated that they were prepared to try to overcome their underdevelopment by using their own resources and to surmount the manifold obstacles hampering their progress by more effectively utilizing their natural and human resources.

69. Nevertheless, given globalization which was a current feature of the world economy, it would be unrealistic to claim that Africa would be able to develop without the combined efforts of the African countries and the rest of the world. His Government therefore welcomed the interest shown by the international community in the development and growth of Africa, as had been evidenced the previous year by the Economic and Social Council which had chosen the situation in Africa as the central theme of its discussions.

70. Interest in the continent had been revived and broadened during the current year owing to measures taken by the Secretary-General and the United Nations system as a whole, which had come together to give specific content to the Special Initiative on Africa. His delegation welcomed the results of the mid-term review of the implementation of the United Nations New Agenda for the Development of Africa in the 1990s, which had shown that African countries had achieved positive results in the fields of human development, institution-building and development of the private sector. However, the relevant documentation prepared by the Secretariat had made it plain that, without substantial support from the international community, African countries would be unable to achieve their objectives within the time frames envisaged by the New Agenda. Such solidarity should take the form of a predictable supply of adequate resources and the creation of a favourable environment.

71. In that connection, he drew the Committee's attention to the changes in international relations which had led to a revival in trade, the greater interdependency of the world economy and a consequent widening of prospects for cooperation between nations. Meanwhile, new financial, commercial and

technological factors were forcing all countries, and particularly developing countries, to adapt their economies in order to compete for markets, foreign investment and technology. To ensure that developing countries were in a position to do just that, it was important to resolve the problem of indebtedness; in that connection, his Government welcomed the interest shown by the seven major industrialized countries at their recent meeting in Lyon regarding the problem of development in general and the search for ways to address the debt problem of the countries of the South in particular.

72. Another aspect of the question was the almost direct relationship between trade and development, and in that regard his delegation hoped that the forthcoming ministerial meeting of the World Trade Organization which was to be held in Singapore in December, would strike the requisite balance between the interests of nations with a large trading volume and the interests of smaller Member States of WTO. His Government believed that the meeting should address two main issues, namely review of the implementation of the Uruguay Round and review of the Marrakesh Agreements, in the hope that the Singapore meeting would help to strengthen the international trading system and strengthen the rules governing trade between nations.

73. Mr. ACEMAH (Uganda) said that the world economy had undergone major changes over the past decade, resulting in its increasing integration. While some countries had benefited from those changes, many developing countries, particularly the least developed countries, the majority of which were in Africa, were gradually being marginalized; that was reflected in the sharp decline in their share of world trade, their negligible share of global flows of private capital, and the deterioration of their socio-economic condition. Integrating the least developed countries into the global economy, alleviating global poverty and ensuring growth with equity and sustainable development were, therefore, the major challenges currently facing the international community.

74. Recognizing that they bore primary responsibility for their own development, the developing countries had implemented structural adjustment programmes aimed at reinvigorating their economies in order to adapt them to a constantly changing international economic environment. Those policies were essential for achieving growth and sustainable development. Their implementation had made it possible to achieve improved growth rates and considerably lower rates of inflation, but those achievements had had a high social cost. Moreover, those successes were largely predicated on continued external assistance; the establishment of a supportive international economic environment was therefore just as vital for the success of those policies as was each country's commitment to their implementation.

75. In that context, his delegation was concerned at the increasing role of transnational corporations in international trade in goods and services and in the flow of private capital; that had increased their influence over resource flows, the transfer of technology and the development process of developing countries in general. There was therefore an urgent need to elaborate and adopt an effective and legally binding international code of conduct to regulate the activities and influence of those corporations.

76. The external debt burden of many developing countries was another huge impediment to their development efforts. Large proportions of their national export earnings had to be devoted to debt servicing, and little, if any, was left for domestic investment in sectors that were vital for development. Proposals for enhancing the Naples terms, as well as a comprehensive debt initiative by the Bretton Woods institutions, could contribute to solving the debt problem if implemented flexibly and expeditiously.

77. The reduction in resources devoted to official development assistance was another grave problem. Most countries had yet to fulfil their international commitments in that respect; that was all the more serious in that the least developed countries had not benefited from the significant increase in private capital flows and were still almost entirely dependent on official assistance in order to attract resources for development.

78. The success of the least developed countries' policies for generating growth and employment depended on their trade performance and their access to foreign markets; although the Uruguay Round agreements and the establishment of the World Trade Organization had provided a significant stimulus to world trade, in the short- to medium-term many least developed countries not only would not benefit from the expansion of world trade, but would even experience increased marginalization. The Uruguay Round agreements eroded the trade preferences established under the various Generalized System of Preferences agreements and the Lomé Convention, and did not adequately address the question of access for the products of developing countries to the markets of developed countries.

79. The lack of an internationally competitive production and marketing base in the developing countries, coupled with the latter's heavy dependence on primary commodities, limited Africa's ability to take advantage of global trading opportunities. The inaugural Ministerial Conference of the World Trade Organization, to be held in Singapore in December would provide a unique opportunity to review the implementation of the Uruguay Round agreements, particularly the provisions to enhance the capacity of least developed countries to benefit fully from the global trading system and to alleviate their transitional problems. To achieve that, concrete measures must be adopted. The importance of reasonable prices for commodities could not, therefore, be overemphasized. In Africa, over 75 per cent of the working population was involved in the production or marketing of primary commodities. The factors which had led to the establishment of the Common Fund for Commodities were clearly still relevant. The Fund must be adequately funded if it was to achieve its objectives. It was regrettable that no concrete results had been achieved regarding the establishment of the proposed African commodity fund for diversification.

80. A special session of the General Assembly was to be held in 1997 to review the progress made in the implementation of Agenda 21, and that opportunity must be used to mobilize the necessary political will. In Africa, environmental degradation, manifested, inter alia, by persistent drought and desertification, was both a cause and a consequence of poverty. Uganda therefore welcomed the conclusion in 1994 of the United Nations Convention to Combat Desertification and looked forward to the holding in June 1997 of the first session of the Conference of the Parties to that Convention.

81. Regarding climate change, Uganda noted that the report submitted to the parties to the Framework Convention on Climate Change by the Intergovernmental Panel on Climate Change (IPCC) clearly indicated that the developed countries were not fulfilling their commitment to reduce harmful atmospheric emissions with a view to reducing them to 1990 levels by the year 2000. Instead, vested interests were attempting to cast doubt on the report. Uganda was against the developed countries' practice of using developing countries as dumping grounds for hazardous and toxic wastes produced by their own unsustainable patterns of production and consumption. It also rejected the sale in developing countries of products, such as DDT, which had been banned elsewhere on health grounds.

82. The international spirit of partnership and cooperation attested to in Rio must be translated into reality by providing adequate resources, and there should be a substantial increase in resources for the Global Environment Facility, since, at the present time, financial commitments under chapter 34 of Agenda 21 were not being fulfilled.

83. Uganda's commitment to cooperation in the field of regional integration had been effected in its active participation at the level of the east African subregion, in the revival of the East African Community, in the strengthening of the Common Market for Eastern and Southern Africa in the strengthening of the Organization for the Planning and Development of the Kagera Basin, and in efforts to make operational the Treaty Establishing the African Economic Community. With a view to strengthening cooperation in East Africa, Uganda proposed the establishment of cooperation agreements between the East African Community and the United Nations, and appealed to the international community to support those efforts.

84. Finally, he said that urgent attention should be given to the establishment of the new international economic order, since achievement of the latter's noble objectives would be in the best interest of the international community as a whole.

85. Ms. ULLOA (Ecuador) said that she endorsed the statement made by the representative of the Group of 77 and wished to make additional comments on the subject of trade and development. She drew attention, in particular, to the undoubted acceleration of the processes of globalization and liberalization of the world economy during the five-year period 1991-1995 as well as to the fact that there were no universal panaceas and that medium- and long-term development strategies must be based on internal and external adjustments in order to optimize the benefits of globalization while, at the same time, reducing the risks and costs which they might have for different countries, particularly developing countries.

86. The subject of international trade was of special importance to Ecuador, which had become a member of the World Trade Organization on 21 January 1996. Ecuador was therefore bound by the rules of that organization and also hoped that its concerns, such as the one relating to the European Union's banana importing regime, would be addressed in a just and favourable manner.

87. The delegation of Ecuador fully agreed with the statement made by the Under-Secretary-General for Policy Coordination and Sustainable Development

about the work done by the Second Committee in convening the recent United Nations conferences and about the need to ensure the implementation of the conclusions of those forums.

88. The majority of the world's population undeniably lived in developing countries and the imbalance in population growth and lag in human development had a severe impact on the quality of life in all countries, especially the developing countries. The poor, the unemployed, the weak and the vulnerable figured prominently among demographic factors and were in turn affected by those factors. Problems included the inequalities between men and women, since women accounted for 70 per cent of all poor people in the world and had limited access to the benefits of development. Moreover, unsustainable consumption patterns and their consequences for the environment exacerbated social inequalities and made poverty more widespread.

89. Ecuador had designed a package of strategies, programmes and activities aimed at incorporating demographic variables into development planning and at increasing gender equity. Projects aimed at improving access to maternal and child health, family planning services and information programmes were being implemented with a view to achieving a better balance in the spatial distribution of the population and promoting a healthy environment in the context of sustainable development.

90. Unsustainable population growth also had an impact on the use of natural resources, such as water, food and fuel and also affected the capacity of Governments to provide the population with basic services and healthy and adequate housing. At the United Nations Conference on Human Settlements (Habitat II), Ecuador had underscored the urgent need to find a solution to those problems. Even though participants in the Conference had included the main representatives of the public, private and community sectors involved in the development of human settlements, the appeal which had been made at the Conference could not bear fruit without assistance and cooperation at the national level and, in particular, without the solidarity and effective and timely delivery of international contributions.

91. Mr. ELIASSON (Sweden) said that Sweden fully associated itself with the statement made by Ireland on behalf of the European Union and wished to make some additional remarks on two important issues: globalization and its effects and the need for a strong and renewed United Nations to deal with the challenges and problems of globalization.

92. Never before in history had people and nations been so interdependent, since internationalization embraced every sphere of human activity. At the same time, globalization, which was expanding at an accelerating pace, created opportunities and challenges, hopes and risks. Global economic integration and the acceptance of free markets had brought prosperity and increased possibilities to many people all over the world. Nevertheless, globalization had also had negative consequences, such as the marginalization of some countries and groups of people. The nation State was being challenged by the integration of global markets. While many countries prospered from open international relations, many of the poorest and least developed countries, particularly those in Africa, did not benefit fully from the flows of trade,

capital and investment. The gaps between rich and poor, both between and within countries, were widening. The International Year for the Eradication of Poverty had served to highlight those trends.

93. Marginalization had exacerbated the problems of declining production, employment and wages and had led to new forms of social exclusion which affected in particular those who were considered "outsiders" on the basis of race, ethnicity and religion, and, as everyone knew, the most vulnerable. The World Congress against Commercial Sexual Exploitation of Children, which had been held in Stockholm in August 1996, had also provided testimony on that issue. Social exclusion was a breeding ground for discrimination, xenophobia and violence which, ultimately, was a threat to peace and stability.

94. Poverty was a serious threat to peace at the end of the century. It was a fertile breeding ground for despair and gave birth to violence and terror. That was why solidarity and security were two sides of the same coin. A firm security policy must rest on the understanding that, in the long run, there would be no security in the North unless the peoples of the South had a chance for a decent life. Strong political commitment at all levels and cooperation for democracy, freedom and human rights for women and men were required to counteract the destructive forces that threatened the future.

95. Globalization should not be rolled back, but its effects must be analysed, understood and dealt with. In that process, the international community must act at all levels: locally, nationally, regionally and internationally, but it must always think globally. To that end, it had the United Nations and an ethos, the Charter, which recognized the fundamental importance of global well-being and called for international cooperation among Member States to deal with common problems, not least those of an economic and social character.

96. The six global conferences held under the auspices of the United Nations had deepened the dialogue on those issues and had given rise to fruitful processes at the local, national and global levels. They had also underscored the role of the United Nations as a focal point for dealing with the central problems facing mankind, such as the eradication of poverty and the promotion of sustainable development. The United Nations was the only organization which could tackle global long-term threats, such as climate change. A recent concrete example was the International Convention to Combat Desertification in those Countries Experiencing Serious Drought and/or Desertification, particularly in Africa. Sweden, which had chaired those negotiations, was particularly pleased to note that the Convention would enter into force before the end of the year.

97. For half a century, the Government of Sweden had participated actively and with unflinching commitment in the activities of the United Nations and had been dedicated to a strong and efficient United Nations. The Ministry of Foreign Affairs of Sweden had recently issued a publication on the United Nations global conferences of the 1990s, which had been distributed to all delegations.

98. The international community needed the United Nations, since it was a meeting-place to identify shared values and served as a guardian of international norms and principles. The Organization was needed to combat

poverty and environmental degradation and promote sustainable economic and social development. Moreover, the international community needed the United Nations to combat the economic and social root causes of conflicts, as part of a comprehensive strategy to prevent war and cope with the increasingly serious non-military threats to human security. The United Nations should become a central catalytic force for global solidarity.

99. Sweden, which advocated solidarity with developing countries and multilateral cooperation for development, believed that the primary purpose of reform was to forge a United Nations that was able to carry out its urgent tasks more efficiently. The purpose of reform was not primarily to bring about cuts and downsizing; reform should result in a stronger United Nations with defined objectives and clear priorities. The time was ripe for a system-wide approach to reforming the Organization. The United Nations must be strengthened in order to enhance its ability to fulfil its mandate and to respond more effectively to the needs of Member States. Of central importance was the impact of the United Nations where it mattered most to people - at the country level.

100. The United Nations could not and should not attempt to do everything. Its operational activities should be concentrated where they were most needed: in the poorest countries and in the poorest groups. The United Nations must avoid fragmentation, as well as overlapping mandates among funds, programmes and agencies. It should function as a unified system, starting at the country level, followed by integration at Headquarters. As an effective system for governing, the United Nations development system should contribute to a sense of trust in, and responsibility for, its activities and policies.

101. In order to work effectively, the United Nations must receive its assessed contributions from Member States in full, without conditions and on time. Adequate funding of global development cooperation was also essential. It was alarming that the willingness to provide funds for development cooperation was decreasing and was at its lowest level in decades. Only four countries, which included Sweden, were fulfilling the United Nations goal of contributing 0.7 per cent of their gross national product to assistance activities.

102. As a sign of Sweden's continuing commitment to the work of the United Nations in the economic and social fields, the Swedish Government in its budget bill to the Parliament for 1997 - in spite of cuts in almost all other areas of government expenditure - was proposing a maintained total level of voluntary contributions to the Organization's operational activities.

103. Sweden's active participation in the United Nations was a cornerstone of its foreign policy. In that regard, it would continue to work for a system that could ensure predictable funding and more equitable burden-sharing.

104. The CHAIRMAN, speaking on behalf of all the members of the Committee, thanked the Government of Sweden for having decided to maintain its current level of contributions in spite of its budget cuts, and welcomed the Swedish Government's publication on United Nations world conferences.

105. Mr. DELANEY (Papua New Guinea) said that the political declarations made at conferences became meaningful when they led to the creation of opportunities

for expanded and effective participation by developing countries. The world was waiting for the United Nations system to implement the commitments that it had assumed at the international level.

106. His delegation welcomed the coordinated system-wide approach that established linkages among organizations and agencies with a view to carrying out activities to promote sustainable development and economic growth in the next century.

107. The work of Governments must be based on a greater balance of international cooperation in trade and investment, and on an enabling economic environment. Similarly, all countries should commit themselves to protecting and conserving the environment and, where feasible, develop internationally accepted codes of conduct for the development of natural resources. His delegation had raised that point in the Ad Hoc Intergovernmental Panel on Forests.

108. In addition, national efforts to manage "global commons", such as carbon sinks and biodiversity, must be complemented by equitable distribution of the benefits gained from the use of biological diversity, and by the transfer of technologies to improve monitoring and research.

109. Papua New Guinea strongly supported the United Nations system's disaster-response mechanisms in the field. With the growing concern for suitable freshwater resources, sea-level rise and refugees, the work of the United Nations in those areas was becoming more important.

110. The globalization of trade in an increasingly competitive trading system could lead to the marginalization of countries with limited access to markets. Papua New Guinea was open to developing proposals on the need for an international system that properly balanced the process of rapid trade liberalization with the ability of weaker countries to compete fairly in foreign markets and to obtain external resources and finances. There must be an acceptable standard for international cooperation to facilitate capital flows from developed countries to developing countries. If, as trends indicated, existing facilities in international financial institutions had failed to create suitable conditions for developing countries, it was essential to undertake an evaluation of the weaknesses of those systems and offer alternatives to stimulate investor confidence and economic growth.

111. Environmental protectionism, unilateral trade laws, non-tariff barriers and other disguised protectionist measures continued to have an impact on the ability of developing countries to sustain economic growth.

112. The growing imbalance, perceived as an inevitable trend, was a concern for his delegation in view of the shortfalls in eradicating poverty and reducing Africa's debt burden.

113. While his delegation supported the reform of the Economic and Social Council, the reform process would not solve all the problems facing the international community, since institutional reforms must be complemented by a sound resource base for implementing approved strategic and financial plans.

114. Structural adjustment and economic recovery programmes could become tools for the promotion of external interests and should not be implemented without due consideration to a country's unique pace of change. In Papua New Guinea the development assistance provided by the financial institutions had been closely tied to conditions on environmental protection, trade liberalization, deregulation and withholding of funds for agreed programmes.

115. Referring to the forthcoming special session of the General Assembly on Agenda 21, he said that the Programme of Action for the Sustainable Development of Small Island Developing Countries was an integral component of the process that had begun in Rio de Janeiro. While the Group of Seven recognized the crucial role played by the United Nations in organizing international cooperation for sustainable development and fostering consensus on development policies and goals, that recognition, though encouraging, would best be expressed through attainment of the agreed ODA targets and implementation of existing agreements and commitments.

116. Mr. HAMDAN (Lebanon), after endorsing the statement made by the Group of 77 and China referred to the measures that the Second Committee should take to implement the policies agreed on at the recent international conferences sponsored by the United Nations. A principal topic of debate would be the determination of effective means of coordinating the development policies of the United Nations with those of other agencies. A system should be devised which would discard the selective approach and emphasize instead the need for each country to assume its responsibilities in order to give credibility and objectivity to the efforts being made to resolve the problems of the modern world. The concepts of equity and justice should permeate the discussions without that being construed as interference in a country's internal affairs.

117. The international community should concert its efforts in the area of the fight against poverty. In that connection it would be a good idea if, in addition to cooperating with the various countries, the Bretton Woods institutions were to cooperate with the United Nations system in order to create the conditions needed to eradicate poverty and foster sustainable development. The fact that many countries remained marginalized from the development process and were having to deal with a serious external debt problem underscored the need to help the poorest countries rid themselves of that burden and invest in the sustainable development of their resources. The decline in ODA, which was currently at its lowest level in 20 years, was therefore disquieting.

118. The high-level talks that had taken place between international financial authorities and representatives of Governments and central banks had demonstrated the need to tackle matters relating to post-conflict peace-building. The fact that a conflict had ended was no guarantee of stability; as the Secretary-General had pointed out in An Agenda for Peace, post-conflict peace-building was an integral part of the international community's responsibility. What was needed was not theoretical studies on those matters but a practical study that would help promote awareness of the international community's options. He therefore suggested that the Secretariat and international financial institutions should conduct a multidisciplinary study on the requirements and conditions for peace-building.

119. Having laid the bases for the establishment of a world mechanism that would reflect the commitments undertaken in connection with environmental problems - the World Environment Fund - the international community could make a greater political commitment in order to guarantee the achievement of good results in that area and establish a similar mechanism to tackle other problems relating to the environment. Attention should be drawn to the need to strike a balance between the interests of the various States so as to reduce the gap between the excessive well-being of some and the alarming poverty of others, since, in an increasingly interdependent world which shared a common destiny, solutions to environmental problems must be closely interrelated.

120. Mr. AL-HARTHY (Oman), after endorsing the statement made by the representative of Costa Rica on behalf of the Group of 77 and China, said that the end of the cold war had offered a historic opportunity to establish a new world order characterized by international cooperation rather than confrontation, one in which peace, security and stability would prevail. However, that had not happened; many developing countries were facing economic difficulties such as widespread poverty and external debt; the gap between north and south was widening and ODA was at its lowest level in 10 years. That gloomy picture did not augur well for the stability of the global economy. Accordingly, all countries must take steps to address development issues in a comprehensive manner, in the interest of developed and developing countries alike.

121. As a developing country, Oman attached great importance to the issue of an agenda for development and he urged the Ad Hoc Open-ended Working Group on an Agenda for Development to step up its efforts in order to conclude the ongoing negotiations and adopt an action-oriented agenda that would provide a framework for implementing existing international commitments for development and for promoting sustainable development.

122. His Government was strongly committed to environmental conservation and in recent years it had taken important steps towards the implementation of Agenda 21. In July of the present year it had acceded to the United Nations Convention to Combat Desertification. As a country prone to desertification and drought, it believed the Convention to be a very important instrument, for it provided a framework which, if adhered to, could lead to significant results.

123. He also emphasized the success of the Second United Nations Conference on Human Settlements (Habitat II) and the need to take steps at the national and international level in order to fulfil the commitments made there. The successful conclusion of the Uruguay Round of multilateral trade negotiations and the launching of the World Trade Organization had marked a milestone in the area of trade liberalization; however, in order for the new regime to work effectively it was imperative that members should refrain from acting unilaterally or resorting to practices that were prejudicial to other members. Believing that developed and developing countries alike stood to benefit from the new trading arrangements, his country had decided to accede to the new Organization.

124. Turning to his country's economic situation, he said that Oman's economy depended primarily on oil but that, realizing that fact, the Government had

sought, with some success, to diversify the economy; currently 62 per cent of the gross domestic product was being generated outside the oil and gas sector and other steps had been taken to expand the sources of national income. They included privatization programmes and encouraging domestic and foreign investment. Although it had handled its affairs prudently, the annual budget deficit had been increasing in recent years; that had necessitated cutbacks in 1995, however, basic services had not been affected. The Government intended to balance the budget by the year 2000.

125. In conclusion, he said that his delegation attached great importance to the work of the Second Committee which, in its view, remained the appropriate forum for addressing the global economic and environmental problems confronting the international community.

The meeting rose at 6 p.m.